

~~CONFIDENTIAL~~  
~~SECRET~~

Document No. 4  
No Change in Class. ☐  
☐ Declassified  
Class. Changed To: TS C  
Auth.: HF 70-2  
Date: 260978 By: 025  
MEMORANDUM FOR THE RECORD

14 July 1950

SUBJECT: Revision of Section VIII of CIA Confidential Funds Regulation

1. CONFERENCE. - The following-named individuals attended a meeting in Room 1046 Building L at 1400 hours on 13 July 1950, to consider the draft of a proposed revision of Section VIII of the CIA Confidential Funds Regulation, entitled: "Procurement of Equipment, Non-Personal Services, and Supplies:"

25X1A9a

- FD/SSS/CIA  
- EXO/OSO/CIA  
- Staff II/OPC/CIA  
- PSD/SSS/CIA

2. DISCUSSION. - The proposed draft of Confidential Funds Regulations was taken up paragraph by paragraph. The comments listed below were unanimously held by all representatives at the meeting:

Under B.O. a The omission of the word "space" was noted, and it is recommended that the words "living and office space" be included in this directive after the word "equipment".

Under B.O. b This subparagraph was not liberal enough in view of the Agency head's non-delegable authority and it was recommended that the following be substituted:

"Covert procurement will be effected to the extent feasible in conformity with general policies and procedures contained in the Armed Services procurement regulations." (Public Law 413, 80th Congress, 2D Session, dated February 1948)

3. UNVOUCHERED PROCUREMENT. - The Special Support Staff has been/operating under an interpretation from the CIA General Counsel's office "that Section 10 (b) of Public Law 110 is in contradiction to, and to that extent, overrides Section 3 (d) of the Act, and compliance with the requirements of Section 3 (d) is not obligatory in the case of unvouchered contracts." (See Memorandum for The Record, Subject: "Unvouchered Procurement", dated 19 December 1949, signed [redacted]).

25X1A9a

~~CONFIDENTIAL~~  
~~SECRET~~

**SECRET**

Approved For Release 2001/04/24 : CIA-RDP78-03996A000100010002-2

**CONFIDENTIAL**

4. GOVERNMENT QUARTERS. - One point which was not clear to the committee was whether or not the proposed draft of this regulation covered adequately the requirements for leasing or buying and the furnishing of such quarters for Government employees in overseas stations in lieu of authorized allowances. It is believed that this point should be clearly defined in the regulations when published. It is recommended that the following paragraph be incorporated in the regulations:

"When an overseas station chief finds that living allowances are insufficient to cover rental of quarters, furnishing of quarters and utilities of quarters he will submit a request with justification to the Assistant Director, who will in turn (if he concurs) submit these comments with recommendations to the Chief, Special Support Staff requesting a specified increase of allowances for the individual or leasing or buying of quarters through Government channels to house the employees of the Agency."

5. OFC & OSO ISSUANCES. - When this revision of the CIA Confidential Funds Regulation is published, it will be necessary for both OFC and OSO to issue instructions for the guidance of their overseas station chiefs amplifying paragraphs 8.1 c (1), (2), & (3) of these regulations.

6. ADDITIONAL MEETING. - Another meeting has been scheduled for 1400 hours on 18 July 1950 in the DCI conference room in the Administration Building. The subject of this meeting will be the CIA fiscal policy including reserve funds, foreign exchange, and appropriations accounting.

25X1A9a

1 Incl

Draft of proposed revision of CIA Regulations

**CONFIDENTIAL**

**SECRET**

Approved For Release 2001/04/24 : CIA-RDP78-03996A000100010002-2

# MISSING PAGE

ORIGINAL DOCUMENT MISSING PAGE(S):

no att.